President Names Gray Permanent Director of FBI

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KEY BISCAYNE, Feb. 17 —President Nixon today completed the major appointments of his second term by making Acting Director L. Patrick Gray III the permanent head of the FBI.

The appointment, for the first time in the FBI's history, will require Senate confirmation. White House Press secretary Ronald L. Ziegler said he was "confident" that Gray would be confirmed.

Ziegler declined comment on the remarks of Senate Democratic Whip Robert C. Byrd, who said Friday he would oppose the appointment and called Gray "the bone of contention, the souree of division" within the FBI. The White House press secretary also declined to respond to a question about whether Gray would continue his wide-ranging FBI shakeup, commenting that Gray undoubtedly would be called upon to answer this question during confirmation hearings.

Gray was named acting director on May 3, 1972, the day after the death of J. Edgar Hoover, and his appointment had been anticipated for several months.

In recent months, however some old-line FBI administrative officials and agents close to Hoover became almost openly resistant to Gray's shakeup of the FBI. Supporters of Gray, in response, were hoping for early appointment by the President to show clearly that Gray had Mr. Nixon's

L. PATRICK GRAY III
. . . now faces Senate

confidence.

Ziegler indicated, however, that the President felt no need of acting quickly.

". . . The President, having a number of other matters to attend to over the past months, felt that Mr. Gray was handling the job in such a way that it did not require an immediate decision," Ziegler said.

It was learned from other sources that the arguments both for and against Gray were made "at the highest level in the White House," presumably to the President. Ziegler's statement today was especially complimentary of Gray, 56, a longtime friend of Mr. Nixon and an assistant to him when he was Vice President.

"The President believes that Pat Gray is a man of great intelligence and personal integrity and that he has performed with distinction in the difficult role of taking up the duties of Mr. Hoover," Ziegler said.

In other appointments announced today the President named two new members to the five-member Securities and Exchange Commission. The are G. Bradford Cook, general counsel of the SEC, and John R. Evans of Murray, Utah.

Cook was named to an SEC commissionership that has been filled since August, 1971, by Philip A. Loomis Jr. of Pasadena, who was moved over to an SEC commissionership formerly filled by William J. Casey, who resigned to become undersecretary of state for economic affairs.

Cook's term will expire in 1977, Loomis' in 1974 and Evans' in 1973. Evans succeeds James J. Needham, who resigned to becoome chairman of the New York Stock Exchange.

In a briefing by Ziegler, the White House continued to blame the Veterans Administration for announced reductions in disability fenefits for Vietnam veterans. The office of Management and Budget had ordered a $160 million savings in fiscal 1974 budget, but a high-ranking VA official was fired after this was translated into benefit reductions for disabled veterans. The benefit cuts also were rescinded.

The firing occurred on White House orders, but the administration has declined to take any responsibility for the benefit reductions.

Ziegler referred questions about the budget and the unexplained role in the issue of James H. Cavenaugh, assistant director of the White House Domestic Council, to the Veterans Administration. In response to one question, Ziegler said," You're leading me into a detailed, technical issue of the budget which I'm not prepared to enter into."

Ziegler also denied a report published by The New York Times that Robert Taylor, former head of the White House Secret Service detail, was transferred to another job because of a dispute with presidential assistant H. R. Haldeman last Nov. 3.

Taylor reportedly refused a request from Haldeman to drop the ropes at the Providence, R.I. airport so a crowd could rush forward to greet the President and said he would arrest Haldeman if necessary.

Secret Service Director James J. Rowley has said since then that he ordered Taylor transferred as a routine rotation.

"We are going to keep this story running and running and running, aren't we, even after Rowley's statement," Ziegler said today. "If we keep it up, maybe we

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